M.R.O. 1—77,005—8-5-37.

(1) Number of pages 4

(2) Date of repair 2-12-

(3) Initials of the Referencer

# MADRAS RECORD OFFICE.

## Government of Madras.

Finance DEPARTMENT.

G.O. No. 1565 Press
102-107 Mis.

Dated 25-11-1872.

102-105 38/38

***Not to be folded or roughly handled***

Read the following papers :—

No. 102. Proceedings of the Board of Revenue, dated 29th May 1872, No. 3837 (Miscellaneous).

Read G. O., Financial Department, dated 20th March 1872, No. 336.

---

The Board resolve to submit the following observations on the points to which their attention is specially called.

2. *Paragraph* 8.—Rule to be substituted for Rule XXVII.

3. On the principles adopted by Government the cost of that part of the Public Works Establishment which is employed in common on Imperial, Provincial, Local, and Special purposes (excluding Extraordinary) should be shared rateably between the several funds, and the cost of that part of it which is employed solely in the administration of one or more of these services should be charged solely to the corresponding fund or funds.

4. The estimate for Establishments for 1872-73 is Rupees 20,75,594, of which Rupees 2,01,800 is charged to Extraordinary.

5. It includes the following items, which never have and probably never will assist Local Fund administration in any way :—

| | Rs. |
|---|---|
| Consulting Architect ... ... ... ... ... ... ... ... ... ... | 14,400 |
| Petty Establishment, East Coast Canal ... ... ... ... ... ... | 2,500 |
| Presidency Range Establishment ... ... ... ... ... ... ... ... | 5,304 |
| East Coast Canal Range Establishment ... ... ... ... ... ... | 1,002 |
| Irrigation Range Establishment, Coimbatore ... ... ... ... ... | 840 |
| Bangalore do. do. ... ... ... ... ... | 3,624 |
| Temporary Survey, &c., Establishment ... ... ... ... ... ... | 50,000 |
| Lithographic Department ... ... ... ... ... ... ... ... ... | 12,216 |
| Presidency Store Department ... ... ... ... ... ... ... ... | 10,446 |
| Civil Engineering College ... ... ... ... ... ... ... ... ... | 41,930 |
| Conservancy ... ... ... ... ... ... ... ... ... ... ... ... | 97,677 |
| Total ... | 2,39,339 |

6. Out of this sum Rupees 47,000 of the cost of Survey Establishments is deducted in the Government Order for Extraordinary, and Rupees 41,930, the cost of the Civil Engineering College for Imperial—Ordinary.

7. The following items are chargeable exclusively to Local Funds :—

| | Rs. |
|---|---|
| Local Petty Establishment ... ... ... ... ... ... ... ... ... | 1,21,610 |
| Account ... ... ... ... ... ... ... ... ... ... ... ... | 6,600 |
| Contingencies ... ... ... ... ... ... ... ... ... ... ... | 3,650 |
| Total ... | 1,31,860 |

8. The distributable portion of the cost of Public Works Establishments will thus be—

| | Rs. | Rs. |
|---|---|---|
| Total cost ... ... ... ... ... ... ... ... ... | | 5[illegible],[illegible] |
| Extraordinary ... ... ... ... ... ... ... ... | 2,01,[illegible] | |
| Civil Engineering College ... ... ... ... ... ... | 41,[illegible] | |
| Other items with which Local Funds have no concern. | 1,[illegible] | |
| Items exclusively chargeable to Local Funds ... ... | 1,31,860 | |
| | | [illegible] |
| Total ... | | [illegible] |

9. The total probable outlay on works being Rupees [illegible], and that on Local Fund works Rupees [illegible], the share of the distributable portion of the cost of Public Works Establishments will be Rupees 7,72,223, and the total establishment charge Rupees 9,04,083.

| Rs. |
|---|
| 7,72,223 |
| 1,31,860 |
| 9,04,083 |

10. Calculating with exactness on the system adopted by Government the charge against Local Funds (paragraph 13) is Rupees 9,12,879. The difference between the two sums is small, viz., Rupees 8,796 in favour of Local Funds, and this would have to be reduced if Government do not agree with the Board as to all the items in the list given *supra* in paragraph 5.

11. Hence the system of calculating the charge given in the proposed rule is less arbitrary than it seems to be. If it is adopted the part of Rule XXVIII., which declares that the Petty Range Establishment shall be entirely chargeable to the Road Fund, should be omitted.

12. But the Board think it would be better to word the first paragraph of the Rule thus:—"The Local Funds will be charged with a suitable share of the portion of the Public Works Establishment which assists in supervising expenditure from Local Funds. This share shall be calculated with reference to the whole outlay on works other than extraordinary, the expenditure on works from Local Funds by Officers of the Public Works Department, and the whole cost of the portion of the Public Works Department which assists in supervising expenditure from Local Funds *minus* the charge debited to Extraordinary. The total will be distributed amongst the several circles in the ratio of the outlay in each by Officers of the Public Works Department."

13. The reason why the Board think this alteration of some importance is that it is correct in principle, and must always lead to a correct result, whilst an administrative change, such as a considerable increase in the Conservancy Establishment, would make the rule framed by Government unjust to Local Funds. Moreover, there is some inconsistency in seeming to charge Local Funds with the cost of East Coast Canal, of Delta Conservancy, of Accountants who are charged for in full in another part of the budget, and of the other items named in the list.

14. *Rule XXVIII.*—The Board have already pointed out that, if the proposed new Rule XXVII. is to stand, the words "which shall be entirely chargeable to the Road Fund" must be left out.



15. The altered rule makes no provision for securing a share of the difference between Budget allotments and actual debits to the Road Fund. This is probably unintentional.

16. It may here be remarked that the rules do not anywhere state how the payments of the Circles for Controlling Establishments at the Presidency are to be made, and great confusion results from this, although instructions on the subject are given in G. O., dated 7th December 1871, No. 755. Nor is there any provision for an adjustment on account of savings in this item; but on the contrary the grants are to be fixed grants (Rule LXV).

17. The following clause which might be added as a second clause to Rule LXV. would secure both objects:—"In each month the Treasury Deputy Collector shall debit one-twelfth of the Budget grant for Controlling Establishments at the Presidency to Local Funds and credit it to Provincial Funds, taking care that portions in the ratio of the Budget allotments are charged to the Road Fund and to the General Fund. In the last month of the year the Accountant-General, after ascertaining the total savings in the budgeted cost of these establishments, shall intimate the sum to the Board of Revenue, and they shall distribute it rateably amongst the several Circles. The adjustment for each Circle will then be made by debiting Provincial and crediting Local Funds with its share of the savings.

18. If this adjustment is allowed it should extend to the Road Fund share of the charge which is by far the larger.

19. Rule XXVIII. might then run as follows:—

"The Road Fund shall be debited with shares of the sum charged to the Local Fund for Public Works supervision and for general management. These shall be computed respectively in the ratio of the expenditure from the Road Fund to the total expenditure by the Public Works Department, and in the ratio of the assets of the Road Fund to the assets of the whole of the Local Fund. The charges so computed shall be ultimately adjusted with reference to savings. The Road Fund, &c. (as at present)."

20. The adjustment referred to in the first clause will be thus effected—

(*a.*) *In the case of the charge for Public Works Supervision,* by dividing the actual debits between the Road Fund and the General Fund in the ratio of the Budget allotments.

(*b.*) *In the case of the cost of Controlling Establishments at the Presidency,* by dividing the saving credited to Local from Provincial Funds in the last month of the official year (*vide* Rule LXV.) between the Road Fund and the General Fund in the ratio of the Budget allotments.

* As altered, *vide* paragraph 17.

21. *Paragraph* 11.—The Board consider it of great importance that their Registers of Reserves and Unappropriated Balances should be kept absolutely correct. This is an opinion which is based on long experience. The following may be mentioned as specimens of the facts on which it is based:—(1), at the very beginning of the current year a Circle Board, before ascertaining what incomplete works there were, or comparing the actual with the expected balance, asked for nearly the whole of its reserve to be appropriated for a new bridge; and (2) applications have often been made for allotments the sum of which was in excess of the

reserve, and if they had been granted the funds would probably have become insolvent.

22. The control the Board consider necessary cannot be exercised unless all appropriations from these sources require their sanction to become valid. There is one and only one exception to this state of things distinctly allowed by the rules (*vide* Rule LI.), but there is no special provision with regard to the *General* Reserve and Unappropriated Balance.

23. The Board think it would be well to add the following to the Rules under "Miscellaneous";—

LXVII.-A. All appropriations from the reserve or unappropriated balances of estimated receipts other than those to be credited to the Road Fund, which the Local Fund Boards may see fit to propose, must be sanctioned by the Board of Revenue before they are acted upon, provided that appropriations of less than Rupees 50 may be made in anticipation of sanction, the fact being forthwith reported to the Board of Revenue.

24. If this rule is approved, Rule LI. must be altered; Clause 1 must be rescinded, and the words "Board of Revenue" submitted for "same authority" in Clause 2.

(True Extract.)

(Signed) J. GROSE,
*Secretary.*

---

No. 103. From the Controller of Public Works Accounts, to the Secretary to Government, Public Works Department, dated Fort St. George, 5th April 1872, No. 44.

I have the honour to acknowledge the receipt of the Order of Government, No. 843, dated 26th March 1872, in paragraph 2 of which this office is called upon to submit an opinion on certain modifications in the Local Fund Rules on the subject of the charge to Local Funds on account of Establishments.

2. The method proposed of regulating the charge appears fair and equitable. I have only to submit that, in complying with the requisition contained in paragraph 3 of the Order of Government in the Financial Department, No. 336, dated 20th March 1872, the submission by this Department of the statement of debits against each circle on account of establishment, to the Board of Revenue and the Accountant-General, will be unavoidably deferred till about the middle of the month succeeding that in which the accounts are received, as the preparation of the statement in question, in accordance with the formula laid down in paragraph 8 of the Financial Order above quoted, cannot be proceeded with till after the receipt and booking of the accounts of the whole of the ranges, numbering 82. Delay may very possibly arise also in the transmission of the monthly accounts to the Accountant-General, Public Works Department. In offering the assurance that every possible effort will notwithstanding be made by this office to ensure the monthly submission of the statement of debits on due date, I beg that some allowance may be made for delay when unavoidable.



Transferred to the Financial Department with reference to the orders in that Department, dated 20th March 1872, No. 336.

(Signed) J. CARPENDALE, Colonel, R.E.,
*9th April* 1872. *Secretary to Government, P. W. D.*

---

No. 104. From the Controller of Public Works Accounts, to the Secretary to Government, Public Works Department, Fort St. George, dated Fort St. George, 22nd October 1872, No. 1670.

With reference to paragraph 2 of the Proceedings of Government in the Public Works Department, No. 843, dated 26th March 1872, the requisition contained in which was complied with in my letter, No. 44, dated 5th April last, I have the honour to request that, as the Accountant-General of Madras has taken exception to the course pursued by this office in acting according to the proposed modifications in the Local Fund Rules, in the absence of positive orders sanctioning those modifications, you will have the goodness to move Government to pass early orders on this subject.

*Enclosure xxx.*
Copies of correspondence.

2. In submitting copies of correspondence* with the Accountant-General on the question at issue, I beg to invite your attention to the fact that, in the Public Works Accounts, the amount of *Budget Grants* cannot be adjusted to the debit of the Accountant-General, or "Civil Department," so as to meet the credit which the Accountant-General has been directed† to afford to the "Public Works Department" on account of one-twelfth of the Budget grant for Local Fund Establishments. Under the Government of India Code Rules prescribed for the Public Works Accounts, the Accountant-General can credit the "Public Works Department" only with the *expenditure* incurred by Public Works Officers from Local Funds, and not with the amount of *Budget grants*.

* From Accountant-General, No. 5000, dated 7th October 1872.
To Accountant-General, No. 1585, dated 15th October 1872.
From Accountant-General, No. 5318, dated 19th October 1872.

† In Financial Orders, No. 755, dated 7th December 1871.

---

From the Officiating Accountant-General, to the Controller of Public Works Accounts, dated Fort St. George, 7th October 1872, No. 5000.

Book Department, Public Works Budget.

G. O., No. 755, 7th December 1871, Financial Department, directed that one-twelfth of the Budget grant for General and Petty Establishments for Local Funds, Public Works, should be debited monthly by Collectors in their Local Fund Accounts by credit to Public Works Department, and these credits are communicated to you monthly by this office. For last year the actual charge for such establishments was shown by you in your Statement for March without any monthly intimation to this office; but in your Statement of Public Works Expenditure on account of Local Funds for May 1872, the establishment charges are given for the first time, though it is not stated whether the entry includes the payments of both April and May; and I have the honour to request that you will explain your present course for which there appear to be no orders. Of course I cannot make a double adjustment at the same time for establishments by crediting you with the one-twelfth of Budget grant as directed in the Government Order quoted above, and also by accepting your debit for actual establishment charges in your monthly statements as in your statement for May 1872.

From the Controller of Public Works Accounts, to the Accountant-General, dated 15th October 1872, No. 1585.

With reference to your letter, No. 5000, dated 7th October 1872, I have the honour to state that the debit to establishment, in the Statement of Local Fund Expenditure for May 1872, is the proportion of the general establishment charges actually incurred in April last, debited to Local Funds in May with reference to the outlay on Local Fund works compared with that on Provincial and Imperial works in the month of April. As regards the principle on which these charges are working, in charging establishment to Local Funds in proportion to the outlay on works, I have to invite your attention to the orders of the Financial Department of Government, Nos. 845, dated 20th March 1872, referred to in paragraph 3 of my report to Government on the Annual Appropriation and Outlay Accounts for the Public Works Department for 1871-72. The plan of adjusting in one month the charges of the preceding month was proposed in my letter to Government, No. 2205, dated 15th December 1871, alluded to in the Financial Orders above noted.

*Vide* Officiating Controller's letter, No. 1196, dated 29th August 1872.

2. It seems to this office that the Order of the Financial Department of the 15th December 1871, No. 755, did not contemplate any monthly adjustment in the Public Works Accounts of the debit of the "*Civil Department*" of the *Budget Grant* for Local Fund Establishments. Clause 2 of Rule XXVII. of the Local Fund Rules refers to one-twelfth of the *Budget Grant* for Establishment *transferred* by you *to the credit* of the Public Works Department every month. In Proceedings of the Board of Revenue, No. 1757, dated 3rd September 1872, it is observed that the charges on account of tolls and ferries, *as in the case of the Public Works Grant for Establishment*, are to be *placed monthly* by the Accountant-General *at the disposal* of the Public Works Department. The expressions "transferred to the credit of," and "placed at the disposal of" the Public Works Department, are commonly used in the Proceedings of Government, as well as in the Proceedings of the Board of Revenue, and have always been understood to signify nothing more than the transfer of grants or allotments from the Civil to the Public Works Budget to meet the expenditure which is to appear in the Public Works Accounts. No *debit* in account has been afforded *to the "Civil Department"* in any such cases, because there are other heads provided in Public Works Accounts to exhibit grants, and additions or reductions connected therewith. As the one-twelfth Local Fund grant to be transferred monthly to the credit of the Public Works Department is viewed in the same light, it cannot be debited in the Public Works Accounts to the "Civil Department," while monthly debits are raised against that head on account of the proportion of actual establishment charges falling upon Local Funds.

---

From the Accountant-General, to the Controller of Public Works Accounts, Fort St. George, dated Fort St. George, 19th October 1872, No. 5518.

Book Department.

In reply to your No. 1585 of the 15th current, referring me in support of your present plan of exhibiting the charges incurred on account of establishment in your monthly accounts of Local Funds, to the orders of Government in the Financial Department, No. 336, dated 20th March 1872, I have the honour to observe that, that arrangement, as described in Clause 2, paragraph 8 thereof, is simply your *proposed* modification of the Local Fund Rule XXVII., which to the cognizance of this office has not been sanctioned; paragraph 8 of the order simply invited opinions on the proposal. If, however, you are in receipt of any orders which have sanctioned your proposal but were omitted to be quoted in your letter under reply, I shall thank you for a copy; but if no orders have reached you, the mode of adjustment adopted by you would seem to be premature, although such an arrangement would be in accordance with the manner in which expenditure on works incurred by the Public Works Department for Local and Special Funds are adjusted. Undoubtedly the simplest plan would be to add to your *Budget* grant the sum provided for those establishments for the year, and take the real charges month by month from your accounts.

*Proceedings of the Madras Government, Financial Department,*
*26th November* 1872.

2. Referring to paragraph 2 of your letter, I have to remark that it is clearly directed in the Order of Government, No. 755, of 7th December 1871, paragraph 9, that "one-twelfth of the Budget grants should be *debited monthly to the Local Fund Accounts and credited to the Public Works Department*" in accordance with which the Civil Department has credited the Public Works Department monthly with supervision charges.

---

Transferred to the Financial Department in continuation of the Controller's letter which was transferred on the 9th April last.

Ootacamund, *28th October* 1872.

(Signed) G. W. WALKER, Colonel, R.E.,
*Secretary to Government, P. W. D.*

---

No. 105. Order thereon, 26th November 1872, No. 1565.

In the papers above recorded, the Board of Revenue and the Controller of Public Works Accounts reply to G. O., 20th March 1872, No. 336, in which their opinion was asked with reference to certain changes in the Local Fund Rules regarding the method of distributing Public Works Establishment Charges between Local and other Funds.

2. The modifications proposed are accepted by the Controller of Public Works Accounts, but the Board of Revenue point out certain objections in principle and submit amended rules which they consider preferable.

3. The chief difference seems to be that those proposed by the Government and approved by the Controller aim at simplicity in distributing the charge by setting off the cost of Local Fund Petty Establishment against various items of expenditure on establishment with which the Local Funds have no concern, while the Board of Revenue desire absolute correctness by omitting from the computation the cost of Local Fund Petty Establishment on the one hand, and on the other the cost of such establishments as lend no aid to Local Fund works. The former would probably have been found to have worked fairly and equitably in practice, but the principle laid down by the Board of Revenue is undoubtedly the more strictly correct, and the Government have no objection to its adoption with the addition that, where the cost of any establishment is excluded from the computation, the outlay on any works carried out *solely* by that establishment must also be left out of consideration. For Rule XXVII. a modification of the wording given in G. O., dated 20th March 1872, No. 336, seems preferable to that suggested by the Board.

4. The alterations and amendments proposed by the Board of Revenue with reference to Rules XXVIII., LI., and LXV. are approved, and an addition will be made to Rule LXVII. as recommended.

5. The new rules will then stand as follows:—

Rule XXVII.—The Local Funds will be charged with a rateable share of the cost of the establishment, Public Works Department, which shall be computed with reference to the whole outlay on works, other than those specially excluded, by Officers of the Department, the expenditure by them on works from Local Funds, and the whole cost of the establishment not chargeable under orders of Government to particular heads of service.

The whole share thus found chargeable to Local Funds will be distributed amongst the several Circles in the ratio of the outlay in each by Officers of the Public Works Department.

In making Budget provision for the charge, the Local Fund Boards will enter sums bearing the same ratio to the budgeted expenditure on works, as in the sanctioned budget of the current year. When, later in the year, the sums which will probably be expended from Imperial, Provincial, and Special Funds on works, and the probable cost of establishment are ascertained, the provision to be made for the charge against Local Funds, to be distributed among the several Circles in the General Budget in the ratio of the estimated expenditure by Officers of the Department, will be communicated by Government to the Board of Revenue.

The actual debits against each Circle shall be made by the Controller monthly in the manner above prescribed. He shall forward each month to the Board of Revenue and to the Accountant-General a statement showing the debits against each Circle. The amounts will then be placed at the disposal of the Public Works Department.

Rule XXVIII.—The Road Fund shall be debited with shares of the sums charged to the Local Fund for Public Works supervision and for general management. These shall be computed respectively in the ratio of the expenditure from the Road Fund to the total expenditure by the Public Works Department and in the ratio of the assets of the Road Fund to the assets of the whole of the Local Fund. The charges so computed shall be ultimately adjusted with reference to savings. The Road Fund Budget shall also contain provision for the Petty Range Establishment maintained in the Circle, which shall be entirely chargeable to the Road Fund; for Tools and Plant; for the Road Fund Reserve at ten per cent. of the estimated receipts; and for Contingencies.

The adjustment referred to in the first clause will be thus effected—

(*a.*) *In the case of the charge for Public Works supervision*, by dividing the actual debits between the Road Fund and the General Fund in the ratio of the Budget allotments for works to be carried out by Officers of the Public Works Department.

(*b.*) *In the case of the cost of Controlling Establishments at the Presidency*, by dividing the saving credited to Local from Provincial Funds in the last month of the official year (*vide* Rule LXV.) between the Road Fund and the General Fund in the ratio of the Budget allotments.

Rule LI.—Expenditure in excess of the sanctioned estimate for teaching staff must be sanctioned by the Board of Revenue.

LXV. The probable cost of the establishment in Controlling Offices and in those of Account chargeable to all the Local Funds of the Presidency in the ensuing year will be intimated to the Local Fund Boards in August. In estimating for the charge against the Circle the Local Fund Board will provide the same aliquot portion of the whole charge as they were declared to be liable for in the current year. When compiling the General Budget the Board of Revenue will distribute the whole charge in the ratio of the expenditure.

*Proceedings of the Madras Government, Financial Department,*
*26th November* 1872.

In each month the Treasury Deputy Collector shall debit one-twelfth of the Budget grant for Controlling Establishments at the Presidency to Local Funds and credit it to Provincial Funds, taking care that portions in the ratio of the Budget allotments are charged to the Road Fund and to the General Fund. In the last month of the year the Accountant-General, after ascertaining the total savings in the budget cost of these establishments, shall intimate the sum to the Board of Revenue, and they shall distribute it rateably amongst the several Circles. The adjustment for each Circle will then be made by debiting Provincial and crediting Local Funds with its share of the savings.

Rule LXVII-A.—All appropriations from the reserve or unappropriated balances of estimated receipts other than those to be credited to the Road Fund, which the Local Fund Boards may see fit to propose, must be sanctioned by the Board of Revenue before they are acted upon, provided that appropriations of less than 50 Rupees may be made in anticipation of sanction, the fact being forthwith reported to the Board of Revenue.

6. The opinion of the Chief Engineer is requested with reference to the items which should be excluded from the compatation referred to in Rule XXVII., Clause 1. Those proposed by the Board of Revenue are—

1. Extraordinary.
2. Civil Engineering College.
3. Consulting Architect.
4. Petty Establishment, East Coast Canal.
5. Presidency Range Establishment.
6. East Coast Canal Range Establishment.
7. Irrigation Range Establishment, Coimbatore.
8. Do. do. Bangalore.
9. Temporary Survey Establishment.
10. Lithographic Department.
11. Presidency Store Department.
12. Conservancy.
13. Local Fund Petty Establishment, &c.

It is to be observed that these proposals merely amount to an extension of the suggestion made by the Controller of Public Works Accounts with reference to the Civil Engineering College in paragraph 8 of his letter, dated 12th December 1871, No. 2306, embodied with the Proceedings of Government, dated 15th January 1872, No. 30.

7. The difficulty alluded to in paragraph 2 of the Controller's letter, No. 1670, dated 22nd October 1872, will notarise under the above rules.

(True Extract.)

W. HUDLESTON,
*Chief Secretary.*

To the Board of Revenue.
,, Public Works Department.
,, Revenue Department.
,, Controller of Public Works Accounts.
,, Presidents of the several Local Fund Boards.
,, Accountant-General.
,, Director of Public Instruction.

Exd. J. Wright.

Office of the Controller of
Public Works, Accounts,
Fort St. George 5th April 1872.

No. 54

From,

The Controller of
Public Works, Accounts,
Madras.

To,

The Secretary to Government,
Public Works Department,
Madras

Sir,

I have the honor to acknowledge the receipt of the Order of Government No. 843, dated 26th March 1872, in para 2 of which this office is called upon to submit an opinion on certain

modifications in the Local
Fund Rules on the subject
of the charge to Local Funds
on account of Establishments.

2. The method prescribed
of regulating the charge
appears fair and equitable.
I have only to submit that,
in complying with the requisi-
tion contained in para 3 of
the Order of Government in
the Financial Department
No. 336, dated 20th March 1872,
the submission by this
Department of the Statement
of debits against each
Circle on account of Estab-
lishment, to the Board of
Revenue and the Accountant
General, will be unavoidably

defend till about the middle
of the month succeeding that
in which the accounts are
received, as the preparation
of the Statement in question
in accordance with the formula
laid down in para 8 of the
Financial Order above quoted,
cannot be proceeded with
till after the receipt and
Booking of the accounts of
the whole of the Rangers,
numbering 82. Delay may
very possibly arise also in
the transmission of the
monthly accounts to the
Accountant General, Public
Works Department. In offering
the assurance that every
possible effort will notwith-

standing

notwithstanding be made by this Office to ensure the monthly submission of the Statement of debits on due date, I beg that some allowance may be made for delay when unavoidable.

I have the honor to be
Sir,
Your most obedient Servant.

S. Mocl[illegible]
Controller of Public Works Accounts.

---

[illegible]

To
The Secretary to Government
Public Works Department
Fort Saint George

Sir,

With reference to para 2 of the Proceedings of Government in the Public Works Department No. [illegible], dated 2[illegible]th March 1872, the requisition contained in which was complied with in my letter

No. 44, dated 6th April last, I have
honour to request that, as the Accountant
General of Madras has to keep up to
the course pursued by this Office in
acting according to the proposed modi-
fications in the Local Funds Code
in the absence of positive orders
sanctioning those modifications, you
will have the goodness to move
Government to pass early orders
on this subject.

2. In submitting copies of
correspondence[x] with the Accountant
General on the questions at issue,
I beg to invite your attention
to the fact that in the
Public Works Accounts the amount

[x] Correspondence last
[illegible]
In duplicate
Enclosures

Government of the Public Works
provide by law the Public Works
Accounts, the Accountant General
can credit the "Public Works Depart-
ment" only with the expendi-
ture incurred by Public Works
Officers from Local Funds, and
not with the amount of

Budget Sprints

Cro 26 branch ff 2 Fr 58-59
Pro 20 branch 1872. A 160.

Gr 26 March 72 Dr 103

Transferred to the Financial Dept with reference to the orders in that Dept of 20 March 1872 No 336.

Treasury
Fin. Dept
No 708
Dated 5th April 1872
Rec'd 8th April 1872

Offering an opinion on certain questions in the Local Funds Rules on the subject of the charge to Local Funds on account of Police Establishments

Gen 3
Secy to Govt
and
9th April/72

Office of the Controller
of the Public Accounts
for the Year ending

From

The Secretary of

To

The Secretary of State

for

India.

I have the honor to transmit herewith a Statement of the Gross Annual Expenditure for Home Services for the year ending 31st March last, distributed to Revenue Charges in Home with reference to the Sanctioned Grant for Revenue Works compared with that on Productive and Imperial Works in the month of April. As regards the principle on which this Office

changing Establishment [illegible]
in pursuance [illegible]
hand to invite your attention [illegible]
order of the [illegible]
Government [illegible]
referred to in para [illegible]
[illegible]
Civil Establishment [illegible]
Estimates [illegible]
[illegible]
Government [illegible]
1871, attached to it the [illegible]
above noted.

2. It seems to me necessary that the order of the [illegible] of 9th December 1871, [illegible] contemplate any monthly adjustment in the Public Works Account of the debit of the "Civil Department" of the Annual Grant for Local Fund Establishments. Clause 4 of Rule XXVII of the Local Fund Rules refers to Rule 12 of the Annual Grant [illegible]

[illegible] Annual Grant [illegible] Civil Establishments [illegible] Public Works Account [illegible] Civil Department [illegible] Public Works Account [illegible] Civil Establishments

Books Department
P. W. D. No 2918

For Land Grants,
Accountant General's Office,
9th October 1912.

From
The Accountant General of Works

To
The Controller of P.W. Accounts,
For Lt. Grants

Sir,

In reply to your No 1515 of the 1st

and Special Funds
the simple Interest
upon Bonded Debt
of these Establishments
to the Credit
from Your Accounts.

2. Nothing
Shall be issued
in the order of
December 1877
Bonded Debt
at the Real and
to the Public
accounts
that certified
with enforcement

Approved
Signed R. Taylor
Dep. Secretary of War

(Time Expired)

Dennis

Dy. Controller of U.S. Accounts

Cotacamund
28th Octr 1872

Transferred

charged to the Irrigation
Fund or Funds.

4 The Estimate for Establishments
for 1872-73 is Rs. 20,75,291 of which
Rupees 2,01,800 is charged to Extraordinary
5 Should the following pieces
which were built partly
new will require
Establishments in addition

Central Office Establishment Rs. 11,820
Poll Establishment Charged 2,820
Presidency Range Establishment 2,820
Central Range Establishment 2,820
Irrigation Range Establishment 2,820
Bangalore do do - - - 3,021
Temporary Surveys Establishment - 30,000
Lithographic Department - 12,216
Presidency Store Department - 10,116
Civil Engineering College - 41,930
Conservancy - - - - - 11,677
2,39,339

6 Out of this sum Rs 47000 of the
Cost of Survey Establishments is deducted
as the Government Orders for
Extraordinary and Rs. 41,930 the
Civil

Rs 7,72,223
1,31,860
9,04,083

Civil Engineering College
for Instruction.

7 The following are charged to
Ordinary Establishments

Land Polly Establishment Rs 21,120
Central - - - 6,600
Conservancy - - - 3,600
31,320

Add for Establishments of Survey
Establishments charged to
Public Works - - - 20,20,971
Irrigation - - 2,01,800
Civil Engineering College - 41,930
Presidency Range Establishment
Civil Surveys - - - 41,930
Bangalore do do - - 41,930
Temporary Surveys Establishment
Charged to Ordinary 41,860
25,999
15,49,595

8 The total for all Establishments
being Rs 60,20,000 and that on Land
Revenue Works Rs 30,00,000 the share of
the distributable portion of the Cost of
Public Works Establishments will
be Rs 7,72,223 and the total Establishment
charge Rs. 9,04,083.

9 Calculating with Exactness on the
System adopted by Government the

charges against Local Funds
(Para 13) is Rs 9,12,479 the difference
between the two sums is due to
viz. Rs 8,796 in favour of Local Funds
and this would have the reduced
if Government do not agree with
the Board as to all the items in the
last given below for information

11 Hence the system of calculating
the charges given in the foregoing
rules is less arbitrary than that
Rule. If it is added to the last of
Rule XXVIII which includes all the
Public Works Establishment
the Entire charges to the Public
Funds should be audited.

12 But the Board think that
the letter should the first phrase
= graph) of the rule thus:- "No Local
Funds will be charged with a
Rateable share of the portion of
the Public Works Establishment
which consists in supervising
Expenditure from Local Funds.
This share shall be calculated
with reference to the Number of

in each class than the ordinary
the Superintendence of Works charged
Local Funds by officers of the
Public Works Department, and
the whole cost of the portion of the
Public Works Establishment which
consists in supervising Expenditure
from Local Funds during the charge
to which the Rule applies, shall
be met from Local Funds in the
proportion which the Value of
Local Works bears to the value of the
Public Works in charge of the
Department.

The Board think that
the alteration of some expression
which is open to misconception
should be carried out, and
that an administrative change
such as a considerable increase
in the Establishment
would make the rule framed by
Government unjust to Local Funds.
Moreover there is some inconsistency
in treating Establishment charges Local Funds
with the Cost of Local Public Works,
Public Conservancy, of Communications

are charged for in full in the
part of the budget estimate for the
Circar named in the list.

(Rule XXVIII) The Board have
already provided in Rule XXVII
for the case of new rule XXVIII is to read
the words "which shall be
chargeable to the Circar Funds
be left out.

15 The allowance to be made by
Provision for meeting the
the difference between the
allowance and actual
to the Road Funds shall be
considered.

16 It may here be remarked that
the rules do not anywhere
how the payments of the Circar
for Controlling Establishments
at the Presidency are to be made, and
great confusion results from this,
although instructions on the subject
are given in Government Order
dated 7th December 1870 to pages 8 and
is there any provision for an adjustment
on account of savings in this item

[illegible] the Contingency the Funds and
the General Funds (Rule LXI.)

The foregoing clause which might
be read to mean that Rule
Rule LXI would become both obsolete
& Board with the Treasury Officer
& Members shall debit one half of
of the budget grant for Contingent
Establishment and the Provincial
& Local Funds shall credit it to
Provincial Funds, taking care to
provision in the ratio of the budget
allotments now charged to the Road
Funds and to the General Funds.

& the first month of the year the
Provincial & General Funds shall
having the total savings in the
budget for Cost of these Establish-
ments shall intimate to the Comm
& the Board of Revenue and they
shall distribute it rateably amongst
the several Circles. The adjustment
for each Circle will then be made
by debiting Provincial and crediting
Local Funds with its share of the
savings.

18 If this Adjustment is allowed it should Extend to the Road Fund share of the charge which is levied for the Purposes.

19 Rule XXVIII might then run as follows:—

"The Road Fund shall be debited with Shares of the Expenses charged to the Local Funds for Public Works Supervision and for Steam Machinery and shall be credited for the Proportion of Expenditure on the Public Works Department and in the Audit Office of the Road Fund to the credit of the Local Funds. The charges so Credited shall be ultimately adjusted with reference to Rule 30. The Road Fund to (as at present)".

20 The Adjustment referred to in the first clause will be thus effected—

a In the case of the charges for Public Works Supervision, by dividing the Total

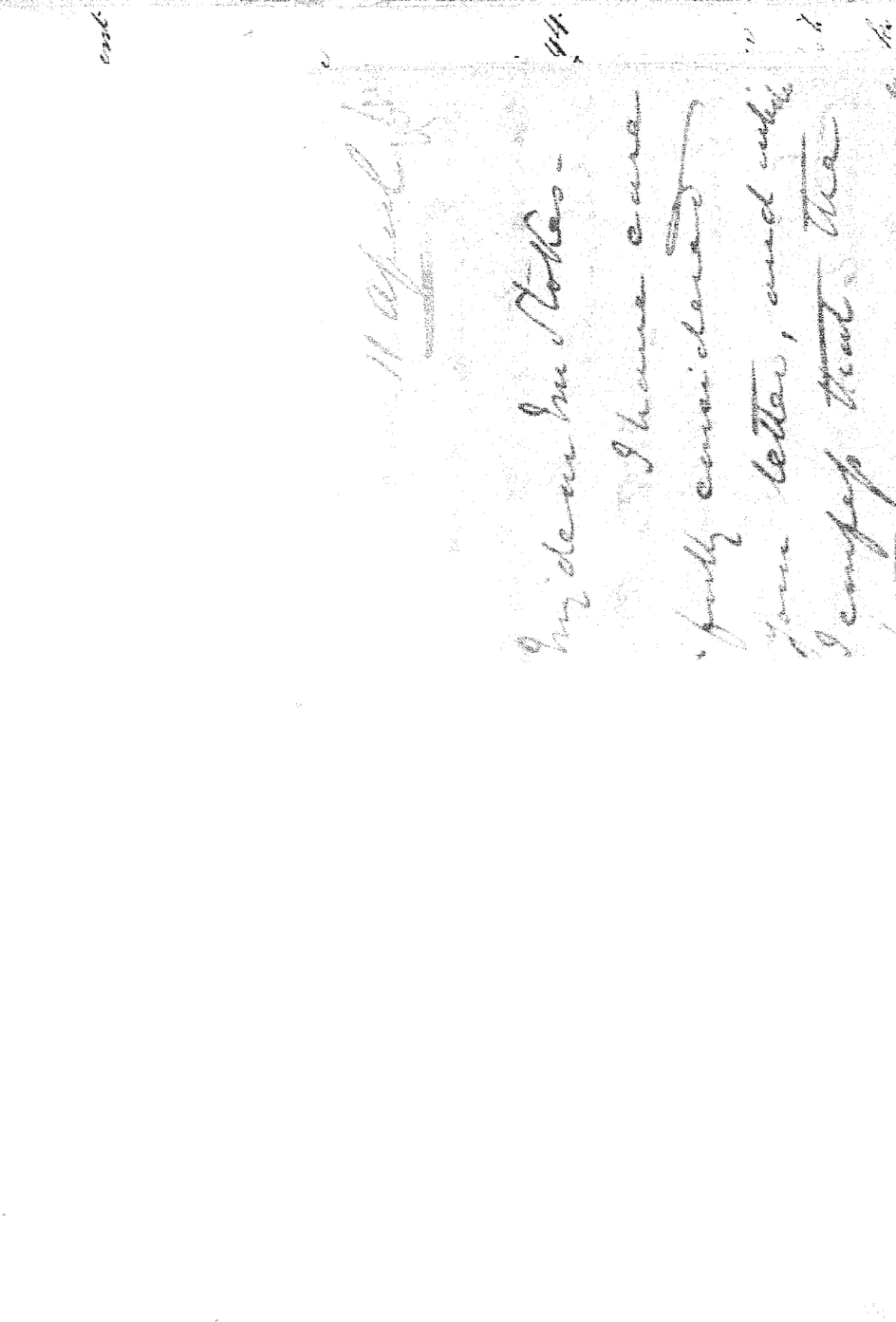
[illegible]

for allotments the sum of which
was in excess of the Revenue and
if they had been granted the Fund
would probably have become involved.

22 The Control the Board Considers may
Cannot be exercised in favour of applications
from those persons requiring their sanction
Where none valid. There is one and only one
Exception to this Rule of things declared
allowed by the rules (Vide Art 6 & 7)
but there is no Special provision
with regard to the General Revenue
and Non-profit-yielding Balance.

23 No Board shall be vested to add the following to the rules under
"Miscellaneous"

LXVII A All appropriations
from the Revenue or non-profit-yielding
balances of Estimated receipts shall
then those be credited to the Road
Fund which the Local Fund Boards
may deem fit to propose must be sanctioned
by the Board of Revenue, before they
are acted upon, provided that appro-
priations of less than Rs 50 on each
one made in anticipation of Sanctions
&c



Fonds 1.ère Série

Inventaire sommaire
Fonds de Rubempré
Inv. sommaire

Fonds de Rubempré
Fonds de Rubempré
Inv. sommaire

N° 1070

Soumission
Regarding
Rubempré

Fonds de Rubempré

Liasse 2 Pièces 32 N. 42 44

C 25/11
R 26 a

Encl. No 2 to 336, 7

20. March, and
correct, and such
a Board be
adopted - After this
there will be no
great deal of
trouble in carrying
out the arrangement
prescribed in
that G.O, there will
be this advantage,
which we do
not now possess,

young officer to say,
at any time, what
are the actual
Establishments of
a Troop of Field
Artillery, or Regiment
of Infantry or Troop
or Battalion - and
what it likely to
be the demand, if
any, on the Estab-
lishment - petty or general
Under all the circum-
stances, I think that
I can't Recommend the two

12252

we have letter
been writing a
little delay occa
: sioned, I am
at the Inclosed
under in its stiff
: ness.

Yours truly
J. Hood

H. E. Sloper Esq

[illegible]

My dear Sloper

The situation holds
[illegible] as I left
this Morning after the Board at the Customs was
held in Lond. on March
[illegible] 1733. The Board
opened in May last has
an order of Court to declare
[illegible]

In the Name of the Lord
[illegible] out Statutes Laws

C.2.2.11
P.2.2.2

pond systems, the local funds
are charged with a portion of
the D.P.W. Conservancy Establish-
ment & certain other items,
while, for instance, Provincial
& Main funds are charged with
a portion of the local fund
Petty establishment. There is
a small balance, which way
I forget now. Will you please
tell Hancock that this method
of lumping all together was

adopted by me with Brooks'
advice and assent, as leaving
flexibility in distributing the
charge and not on the whole
impairing any of the funds
concerned.

Yours very truly
H.F. Parker

C.E. Parker Esq.

Financial Department

## Memorandum for Orders

Proceedings of the Board of Revenue
dated 5th May 1892 No. 2387
Letter from the Controller of Public
Works Accounts dated 5th April 1892 No. 44.

It having been
determined to apportion
the cost of the Establish
ment of the Public Works
Department Rateably,
according to outlay on
works, between the Imperial,
Ordinary, Provincial, Local
and Special Funds, the
Government in G.O. 20 Dated
No. 236 Financial, para 8,
called for the opinion of
the Board of Revenue
and of the Controller
of P.W. Accounts on the
proposition

modifications necessitated by the Change of System in Local Fund Rules 27 & 28.

2. In the letter above recorded the Controller of Public Works Accounts Considers that the modified rules proposed by Government in G.O. 20th March are fair and equitable but apprehends that at least 15 days' delay will occur in the submission of his monthly statements of Cost of Establishment charged to the different heads to the Accountant General and to the Board of Revenue.

3. The Board of Revenue on the other hand have raised an important question as to whether the Local Funds should be rateably charged with the Cost of the whole Establishment of the Public Works Department or with the Cost of that portion only which lends its aid to Local Fund Works — and they mention the following items as those which on principle should be deducted in calculating the share of Cost chargeable to the Local Funds.

| | | |
|---|---|---|
| 1. | Crown Engineer Architect | Rs 14,400 |
| 2. | Petty Establishment East Coast Canal | 2,500 |
| 3. | East Coast Canal Range Establishment | 1,002 |
| 4. | Presidency Range Establishment | 5,304 |
| 5. | Irrigation Establishment Coimbatore | 840 |
| 6. | Do. Bangalore | 3,024 |
| 7. | Temporary Survey Establishment | 3,000 |
| 8. | Lithographic Department | 12,216 |
| 9. | Presidency Store Department | 10,446 |
| 10. | Conservancy | 97,677 |
| | | 150,409 |

4. Rs 47,000 of the Budget

allotment for Surveyors
Charged to Extraordinary
and Rs 41,920 - the Cost of
the Engineering College -
to Imperial Ordinary.

5. Irrespective of the
above 10 items, the following
are Charged exclusively
to Local Funds.

| | | |
|---|---|---|
| 1. | Local Petty Establishment | 121,610 |
| 2. | Account | 6600 |
| 3. | Contingencies | 3650 |
| | | 131,860 |

6. If Government allow
the deduction of the above
10 items in their entirety
the Local Fund share
of the Cost of Public Works
Establishment will be
Rs 8796 less than under
the system adopted
in G.O. 20th March where
no such deductions are
made.

7. This is the Chief point

to be decided and on which
orders are requested. The
rules 27 and 28 will have to
be modified to suit the
deductions allowed by
Government and it is
therefore unnecessary to
notice the amendments
suggested by the Board
of Revenue at present.

Simon.

Financial Department.

PROCEEDINGS of the MADRAS GOVERNMENT.

Read the following ~~letter~~ Proceedings of the Board of Revenue dated 29th May 1872 forwarding and also letter from the Comptroller of Public Works Accounts dated 5th April & 20th October 1872, Nos. 1451 & 1590 respectively &c.

Dated Fort St. George 26th November 1872.

No. 1590.

In the papers above recorded the Board of Revenue and the Comptroller of Public Works Accounts report to G.O. 2nd March 1872 No. 336 in which their opinion was asked with reference to certain changes in the Local Fund Rules regarding the method of distributing Public Works Establishment charges between Local and other Funds.

The

No. 21-6.
Copy in Book No. 1 Arbuthnot & Co.

2 The modifications proposed are accepted by the Controller of Public Works Accounts but the Board of Revenue point out certain objections in principle and submit amended statements which they consider preferable.

3. The chief difference seems to be that those proposed by the Government and approved by the Controller aim at simplicity in distributing the charge by setting off the cost of local fund petty establishment against various items of expenditure on establishment with which the Local Funds have no concern, while the Board of Revenue desire absolute correctness by omitting from the computation the cost of Local Fund petty establishment on the one hand, and on the other the cost of such establishment as could not be charged to Local Fund works. The former would probably have been found to have resulted practically in charging the Local Funds with their corresponding share of establishment in addition to that which they actually bear, and the latter would leave no alternative to the adoption with the addition that when the cost of any establishment is excluded from the computation, the outlay on any works carried out solely by that establishment must also be left out of consideration. Rule XXVII a modification of the wording given in PO No 220 of 20th March 1872 seems preferable to that suggested by the Board

4 The alterations and amendments proposed by the Board of Revenue with reference to Rules XXVIII, LI and LXV are approved and an addition will be made to Rule LXVII as recommended.

5. The new Rules will then stand as follows.

Rule XXVII. The Local Funds will be charged with a rateable share of the Establishment of the Public Works Department, which shall be computed with reference to the whole outlay on works, other than those specially excluded, by officers of the Department, the exclusive by them on works from Local Funds, and the whole cost of the Establishment not chargeable under Orders of Government to particular heads of service.

The

The allowance to be charged to the Local Funds will be distributed among the several Circles in the proportion of the outlay on the works managed by officers of the Public Works Department during the preceding budget provision for all charges, the Local Funds therein will be credited with the same proportion of the Establishment charges, as in the case of Civil Works, but in the case of the Irrigation Establishment charges will be distributed in proportion to the Irrigation Revenue. When, later in the year, the actual outlay is known, the Establishment charges will be adjusted from Imperial, Provincial & Special Funds on account, & the probable Cost of Establishment ascertained, the provision to be made for the charge against Local Funds, to be distributed among the several Circles on the General Budget on the basis of the estimated expenditure by Officers of the Department, will be communi-

(b) In the case of the Cost of Controlling Establishments at the Presidency by dividing the saving credited to Local from Provincial Funds in the last month of the official year (vide Rule LXV) between the Road Fund and the General Fund on the basis of the Budget allotments.

Rule LI. Expenditure in excess of the sanctioned Estimate for teaching staff must be sanctioned by the Board of Revenue.

Rule LXV. In each month the Treasury Officer shall debit ½ of the budget grant for Controlling Establishments at the Presidency to Local Funds and credit it to Provincial Funds, taking care that portions in the ratio of the budget allotments are charged to the Road Fund & to the General Fund. In the last month of the year the

LXV. The Inhabitants of the Establishment in Calabria Ulteriore and in those of Account-chargeable for the Local Funds of the Provinces in the ensuing year are entitled to the Local Funds accruing in the said Provinces in the current year. In estimating for the charge against the said Local Funds Boards will proceed on the same objects, and with such charge as they were allowed for in the current year. When sanctioning the Budgets the Board of Revenue and Customs will distribute the whole charge in the ratio of the expenditure

[illegible] of Revenue, [illegible] concerning the Local Funds in the several Provinces in the Presidency of Fort St. George, and the Local Funds Boards established therein, shall be subordinate to the Board of Revenue and they shall be subject to their superintendence, direction and control in all matters relating to the Local Funds and Boards, and to the Collectors of the several Districts.

Sect. LXVIA. All appropriations from the Revenue or unappropriated balances of Territorial receipts which shall be credited to the Local Funds which the Local Funds Boards may see fit to propose must be sanctioned by the Board of Revenue before they are acted upon, provided that

Appropriations of less than 5 Rs may be made in anticipation of sanction, the fact being forthwith reported to the Board of Revenue.

6. The opinion of the Public Works Department is required with reference to the items which should be excluded from the Computation referred to in Rule XXVII clause 1. Those proposed by the Board of Revenue are:-

1 Extraordinary.
2 Civil Engineering College
3 Consulting Architect
4 Petty Establishment, East Coast Canal.
5 Presidency Range Establishment.
6 East Coast Canal Range Establishment.
7 Irrigation Range Establishment Cuddalore.
8 Do Do Mangalore
9 Temporary Survey Establishments

10 Cost of the Department

11 Contingencies

12 Local Fund Petty Establishments

It is to be observed that these items proposed for exclusion amount to an extension of the exception made by the Secretary of Public Works Department to the Civil Engineering College in para 2 of the letter dated 9th December 1871 No 2000 forwarded with the Proceedings of Government dated 15th January 1872 No 20.

7. The difficulty alluded to in para 2 of the Commissioner's letter No 1670 dated 22d October 1872 will not arise under the above Rules.

To the Board of Revenue
- Public Works Deptt
- Revenue Deptt
- Controller of P.W. Accts
- President of the Local Fund Board
- Accountant General
- Director of Public Instn

Circ 25/11

Received Copies

Govt. of {187 } Madras.

To

Dated
Recd. } 187 , No.

| Nos. | |
|---|---|